



LOUISIANA DEPARTMENT OF INSURANCE

J. ROBERT WOOLEY, COMMISSIONER

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DIRECTIVE 192

December 22, 2005

**NOTICE TO ALL HEALTH INSURANCE ISSUERS, INCLUDING
HMOs, LICENSED AND DOING BUSINESS IN LOUISIANA**

RE: Application of Regulation 86 - Dependent Coverage of Newborns in the Group and Individual Market.

Following the passage of Act 269 of the 2004 Regular Legislative Session that amended LSA R.S. 22:250.2, 250.4, 250.11 and 250.15, the Louisiana Department of Insurance adopted Regulation 86 Dependent Coverage of Newborns in the Group and Individual Market.

There have been numerous requests from health insurance issuers, HMOs, employers and from the Secretary of the Louisiana Department of Health and Hospitals (LDHH) regarding the need for the Commissioner of Insurance (Commissioner) of the Louisiana Department of Insurance (Department) to provide guidance and interpretation as to how health insurance issuers, HMOs, employers and the Secretary of the LDHH should conduct their affairs with regard to the enrollment notification procedures mandated by the underlying statutory law and Regulation 86.

This Directive 192 is issued pursuant to the requests by health insurance issuers, HMOs, employers and from the Secretary of the LDHH. All health insurance issuers, HMOs, employers, the Secretary of the LDHH, and any other interested persons are to conduct themselves in accordance with the purpose and intent of Act 269 of the 2004 Regular Legislative Session, which amended LSA R.S. 22:250.2, 250.4, 250.11 and 250.15, and to comply with the guidance and interpretation provided herein by Directive 192.

Accordingly, I hereby issue Directive 192:

1. Health insurance issuers and HMOs shall designate a point of contact (either a specific person or a specific position), and shall include the telephone number and physical address of the point of contact. The designated point of contact shall be the

authorized representative of the health insurance issuer or HMO on all matters relative to the newborn child. All health insurance issuers and HMOs shall notify the Department, in writing, of the designated point of contact on or before December 31, 2005. This written notice shall be sent to the Deputy Commissioner, Office of Health Insurance, c/o Louisiana Department of Insurance, P. O. Box 94214 (70804-9214), 1702 N. Third Street (70802), Baton Rouge, LA. Health insurance issuers or HMOs must provide the Department with 10-day advance written notice of any change in the point of contact.

2. If a health insurance issuer or HMO has failed to provide the Department, via the Deputy Commissioner, Office of Health Insurance, with the written notice of the designated point of contact (and all other required contact information) by the close of business on December 31, 2005, the Commissioner hereby establishes that the Chief Executive Officer of the health insurance issuer or HMO shall be the designated point of contact for the health insurance issuer or HMO. Additionally, any contrary action by the health insurance issuer or HMO may be subject to sanctions as set forth in R.S. 22:1457.

3. Health insurance issuers and HMOs shall provide the Secretary of LDHH with at least a 30-day advance written notice of any subsequent premium adjustment that will affect health insurance coverage of a potentially eligible newborn child.

4. Health insurance issuers and HMOs shall incorporate in the written notice sent to the employer and employee the following statement:

"Pursuant to LSA R.S. 22:250.4.F, 250.15.A, and LAC Title 37 §11109.D, a health insurance issuer or HMO is required to provide a 90-day written notice to the Secretary of the Louisiana Department of Health and Hospitals prior to the cancellation of health coverage for a newborn child who is potentially eligible under Title XIX of the Social Security Act. For group plans a potentially eligible newborn child is not limited to the 30-day special enrollment period under R.S. 22:250.2.E.(2)(b). For individual plans a potentially eligible newborn child is not limited to the enrollment notification prior to birth under R.S. 22:250.15.A. The law requires that a newborn child who is potentially eligible under Title XIX of the Social Security Act shall have a 90-day special enrollment period."

You are hereby directed to immediately bring your business practices into compliance with the purpose and intent of Regulation 86.

Baton Rouge, Louisiana this 22nd day of December, 2005.

BY: 

J. ROBERT WOOLEY
COMMISSIONER OF INSURANCE